COASTAL CONSERVANCY

Staff Recommendation October, 21, 2010

HAMILTON WETLANDS RESTORATION PROJECT IMPLEMENTATION

Project No 94-003 Project Manager: Tom Gandesbery

RECOMMENDED ACTION: Consideration and possible authorization to revise the Hamilton Wetlands Restoration Project ("HWRP") in Novato, Marin County to include conversion of a former water treatment building near the project site to a native plant nursery to grow plants for the seasonal wetland and upland areas of the project site, and certification of an addendum to the Environmental Impact Report/Environmental Impact Statement for the HWRP.

LOCATION: Southeast Novato, adjacent to the Hamilton Wetland Restoration Project, along the western margin of San Pablo Bay, Marin County.

PROGRAM CATEGORY: Resource Enhancement, San Francisco Bay Area Conservancy

EXHIBITS

Exhibit 1: Location Map

Exhibit 2: Site Map

Exhibit 3: June 16, 2005 Staff Recommendation

Exhibit 4: Addendum to EIR/EIS

Exhibit 5: EIR/EIS: http://www.hamiltonwetlands.org/documents.html

Exhibit 6: SEIR/EIS http://www.hamiltonwetlands.org/documents.html

Exhibit 7: February 4, 2010 Staff Recommendation

Exhibit 8: May 27, 2010 Staff Recommendation

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Chapters 4.5 and 6 of Division 21 of the Public Resources Code:

"The State Coastal Conservancy hereby:

Approves the revision of the Hamilton Wetlands Restoration Project ("HWRP") in Novato, Marin County to include conversion of a former water treatment building near the project site to

a native plant nursery to grow plants for the seasonal wetland and upland areas of the project site, and certifies the addendum to the Environmental Impact Report/Environmental Impact Statement for the HWRP."

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibit, the State Coastal Conservancy hereby finds that:

- 1. The proposed authorization is consistent with the Project Selection Criteria and Guidelines last updated by the Conservancy on June 4, 2009.
- 2. The proposed authorization is consistent with the purposes and objectives of Chapter 4.5 of Division 21 of the Public Resources Code, regarding restoration and enhancement of natural habitats in the San Francisco Bay Area and public access improvements to and around the Bay, and with Chapter 6 of Division 21, concerning the enhancement of coastal and bay resources.
- 3. The Conservancy has reviewed the addendum, which has been completed in compliance with the California Environmental Quality Act ("CEQA") and reflects the Conservancy's independent judgment and analysis, and concluded that the proposed modification of the HWRP will not result in new significant environmental effects or a substantial increase in the severity of previously identified significant effects."

PROJECT SUMMARY:

The U.S. Army Corps of Engineers ("Corps") proposes to establish a plant nursery to support the Hamilton Wetland Restoration Project ("Project") (Exhibit 1). The Project as originally approved by the Conservancy in 1999, and as modified to include Bel Marin Keys in 2005, does not include the establishment of a plant nursery. The Corps has determined that it is more costeffective to set up an onsite nursery as compared to purchasing plants from a commercial vendor, in part due to the massive scale of the plantings needed for the Project. Accordingly, staff recommends that the Conservancy approve a modification of the Project to include conversion of an existing building to a plant nursery. This modification does not trigger the need for an additional disbursement of funds to the Corps because the Corps will use funds that the Conservancy already authorized for the federal fiscal year 2010 Project costs. Because the proposed building conversion will not have any significant environmental effects, staff has prepared an addendum to the Hamilton Wetland Restoration Plan Environmental Impact Report/Environmental Impact Statement certified on April 22, 1999 ("EIR/EIS") and the Supplemental Environmental Impact Report/ Environmental Impact Statement for the Bel Marin Keys Unit V Expansion of the Hamilton Wetland Restoration Project certified June 16, 2006 ("SEIR/SEIS").

The plant nursery would occupy an unused, former water treatment building located adjacent to the Project site (Exhibit 2), and would be used to grow and manage native plants that will be used to re-vegetate upland and seasonal wetland areas of the former Hamilton Army Airfield. The building is on property owned by the Army and associated with the closed landfill at

Hamilton. It was originally constructed in the mid to late 1980s to serve as a water treatment facility for water leaching out from under the landfill ("Landfill 26"). However the landfill never produced any "leachate"; hence, the building went unused with no alternative uses planned by the Army. The Corps now proposes to use the approximately 2,900 square foot building as an "on-site" nursery to support the planting of native plants within large areas of the Project site. It is expected that about 200 acres of future seasonal wetlands and 20 acres of transition zones of the site will be planted with native shrubs and forbs (herbaceous flowering plants). The remainder of the site consists of areas that will be tidal wetlands, for which no planting will be required, instead the daily tides will bring seed and rhizome into the site and vegetation will establish passively. In the future, if the Project Cooperation Agreement between the Corps and the Conservancy is amended to include the Bel Marin Keys portion of the Project, the nursery would also be used to grow plants for areas of Bel Marin Keys.

Conversion of the water treatment building entails installation of new, and rehabilitation of existing, utility connections for potable water, sewer, electrical and telecommunications. Nursery infrastructure will be installed both inside and outside the building. The infrastructure to be installed outside the building is a 1,800 square foot lath shade structure, 22 four by eight foot planting benches, a 16 by 20 foot soil storage area, and two raised beds with a saltwater storage container. In addition, an existing chain-link fence around the building will be replaced with a new chain-link fence around the perimeter of the graded area around the building. The interior of the building will be reconfigured to include an office and to allow placement of planting tables for plant propagation. The building will serve as the central work area for one to two full-time nursery and native plant staff and may act at times as a staging area for planting crews. From time to time, the Corps will seek volunteers to assist with planting the plants. The Corps will use these volunteer planting days as an opportunity to educate the public about wetlands restoration. Thus, in that sense, the nursery will serve as a "public education" center, however the scope of how the public will be involved with the project has not been fully assessed

Site Description: See Exhibits 1, 2, 3, and 7.

Project History: See Exhibits 3 and 7.

PROJECT FINANCING

As the non-federal sponsor of the Project, the Conservancy is responsible for 25% of Project costs. (The Conservancy has not yet resolved its dispute with the Corps over the Corps's decision to increase to 35% the Conservancy's share of costs for the Bel Marin Keys portion of the Project.) The Conservancy has already authorized the disbursement of up to \$4.75 million for its share of federal fiscal year 2010 Project costs. That funding was not expended fully in federal fiscal year 2010 and the Corps has "rolled over" the funding to federal fiscal year 2011 and will use it for the nursery, as well as other work (see Exhibits 7 and 8). Thus, an authorization for additional disbursement of funds by the Conservancy for the plant nursery is not necessary.

For additional information concerning Project costs and financing information, see Exhibit 7:

February 2, 2010 Staff Recommendation.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

See Exhibits 3 and 7.

CONSISTENCY WITH CONSERVANCY'S 2007 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

See Exhibits 3 and 7.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

See Exhibits 3 and 7.

CONSISTENCY WITH SAN FRANCISCO BAY PLAN:

See Exhibits 3 and 7.

COMPLIANCE WITH CEQA:

On April 22, 1999, the Conservancy certified the <u>Hamilton Wetland Restoration Plan Volume II EIR/EIS</u> ("EIR/EIS") and approved the Project (see Exhibit 5). On June 16, 2005, the Conservancy certified the <u>Final Supplemental Environmental Impact Report / Environmental Impact Statement for the Bel Marin Keys Unit V Expansion of the Hamilton Wetland Restoration Project ("SEIR/SEIS") and approved modifications to the Project to incorporate restoration of Bel Marin Keys (see Exhibit 6).</u>

Neither the EIR/EIS nor the SEIR/SEIS identify the establishment of an on-site plant nursery or use of the former water treatment building. Accordingly, the Corps prepared an Environmental Assessment/Initial Study ("EA/IS") of the proposed building conversion to meet requirements of the National Environmental Policy Act ("NEPA") and the California Environmental Quality Act ("CEQA"). The Corps found that there would be no adverse impacts resulting from the conversion and filed a Finding of No Significant Impact ("FONSI"). As part of the NEPA/FONSI process, the Corps notified all property owners within one quarter mile of the building.

The Corps EA/IS forms the basis for the attached addendum to the EIR/EIS and SEIR/SEIS. Pursuant to CEQA Guidelines Section 15164, an addendum may be used when there are changes or additions to a project but the criteria for a subsequent EIR are not met. Cal. Code Regs. title 14 section 15164(a). A subsequent EIR is required if there are substantial changes that will require major revisions of the EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Cal.Code Regs. title 14 section 15162. The EA/IS demonstrates that the proposed conversion of a former waste treatment building to a plant nursery will not result in new significant environmental effects or a substantial increase in the severity of previously identified significant effects. Therefore, no subsequent or supplemental EIR is required.

As indicated in the addendum, there are no wetlands, surface water or drainages on the site of the water treatment building. The terrestrial habitat around the building is low quality, i.e., dominated by weedy non-native grasses and forbs. Given the low-quality of the habitat no special status species are likely to be present and none have been observed.

In addition, conversion of the building to a plant nursery is not expected to generate significant new traffic because it will result in only two additional vehicles and an ATV per day. Occasionally there may be up to 30 extra vehicles accessing the building as a result of a volunteer planting event but such occasional increases in traffic do not amount to a significant increase. Further, potential new traffic on Aberdeen / Todd road will be much less than if the Corps were to import plants from a commercial or offsite nursery, which would require many additional vehicle trips given the large number of plants need. The only increase in noise that is expected is the noise associated with construction activities. However, the increase will be less than significant because it will be temporary (approximately 5 days), occur during daytime on weekdays and will be reduced via use of equipment sound-control devices. Thus, the proposed conversion of the former water treatment building to a plant nursery will not have new significant environmental effects or substantially increase the severity of previously identified significant environmental effects of the Project